

COLONIAL AMMUNITION COMPANY, AUCKLAND.

Your Committee find that a factory was established for the manufacture of ammunition at Auckland, upon an understanding that Government patronage would be extended to it. At first great complaints were made of the inferiority of their cartridges, but they have now succeeded in producing and supplying an article pronounced satisfactory by the authorities. In consequence of the proposed change of arm, the proprietors are threatened with great loss, as they have provided a stock of material sufficient to keep up a supply to meet possible contingencies, and to work up powder placed at their disposal by the Government. This powder being in stock, and comparatively useless for other purposes, must entail a heavy loss to the colony unless manufactured. The proprietors also claim some protection through the tariff in the manufacture of sporting ammunition, and express willingness to be bound by an agreement not to charge in the colony a price above the Home cost of ammunition of equal quality, with freight and charges added. The advantage of securing a reliable source of supply for ammunition in the colony is manifest. The employment given at the factory, until lately, has been one hundred and fifty hands.

Your Committee would recommend that whatever Snider ammunition may be required in the future should be taken from the New Zealand factory, subject to the price being reasonable and the quality approved.

That, under the same terms, a preference should also be given for the supply of Martini-Henry ammunition; and a further duty imposed upon imported sporting ammunition.

IRON INDUSTRY.

This industry is in a peculiar position. The tariff admits, free, iron and steel to the value of £130,329; while, manufactured in various ways, we import to the value of nearly £400,000, duty being placed generally upon articles manufactured in the colony. Now that an opportunity seems to be presented to manufacture iron in the colony, those engaged in the secondary operations fear lest any encouragement given for the production of iron would have the effect of increasing the cost of it to them. The evidence otherwise indicates that natural products are abundantly available: at Collingwood, in connection with the deposits of hæmatite; and at Taranaki, in the titanite iron-sand. The establishment of permanent works to utilise this great source of wealth would form a valuable addition to industries giving employment in the colony, and effect a great reduction in the importation of iron and steel, making metal available for our public works, which now are too often constructed with more perishable material.

Your Committee recommend that carefully-measured assistance to this industry be given, partly through the tariff, and partly by bonus.

This course holds out a promise of ultimate gain both to the iron trades and to the consumer, as it should result in reducing the cost of the raw material and improving its quality in New Zealand.

Your Committee accordingly suggest that the tariff upon all iron and steel imported be raised to the extent of 20s. per ton, and railway-iron 40s. per ton; also, that a bonus for the manufacture of iron and steel be given, at the rate of 5s. per ton for five years, upon conditions which would insure the exclusive use of New Zealand products, and the establishment of works upon a scale and basis sufficient to guarantee permanence. The duty should not be put in force until a guarantee is received of the institution and progress of works to warrant the imposition.

GALVANISED AND CORRUGATED IRON.

The information obtained is not conclusive, but a *prima facie* case has been established, showing that unless the duty on galvanised iron is raised to £3 10s. per ton, the industry now existing in this branch must cease.

MACHINERY.

Complaints have been made from various quarters that a prohibitive duty is now placed upon special machinery necessary for the initiation and perfecting of manufactories. Instances have been shown where the result has been very discouraging. Relief should be given in such cases. Engine fittings, patent machinery, and all special machinery not manufactured in the colony, for any industry whatever, should be admitted free, upon the same footing as machinery connected with mining, dairy, and agricultural industries.

LEATHER INDUSTRY.

Under this head your Committee have received numerous communications, and taken evidence from representative men. The state of the trade seems anything but satisfactory; employers and employes clamour for a readjustment of the tariff, and, in some cases, upon very reasonable grounds. In the interest of the tanning, currying, and leather-dressing trades, an increased duty is required upon leathers of various grades and descriptions, discriminating and exempting such as cannot be produced with advantage at present in the colony.

The large quantity of inferior American upper-leather imported has flooded the market, and prevented the increase of colonial manufacture. This has brought disaster to those engaged in the industry, and has been the means of introducing to the consumer a deceptive and very inferior article. It appears to be in the best interests of the manufacturer and consumer that this class of leather should be shut out, and for that purpose a duty of at least 6d. per pound, such as is now placed upon harness-leather, should be imposed upon all split, buff, horse hides, satin hides, cow